

Week Ending Friday, November 12, 1999

**Remarks in a Teleconference With  
Rural Radio Stations on Agricultural  
Issues in Hermitage, Arkansas**

*November 5, 1999*

**The President.** How are you doing?

**Stewart Doan.** Fine, sir. Welcome back down to Arkansas.

**The President.** Nice to hear your voice, Stewart.

*[Mr. Doan of the Arkansas Radio Network began the conference listing American farmers' problems, including low commodity prices, high production costs, reduction in exports juxtaposed with a rise in imports, and the growing number of farmers exiting the business. He asked what incentives existed for crop growers to stay in farming for the next century.]*

**The President.** Well, let me say first of all, I think we've got to change the '95 farm bill. When the Republican Congress passed it at the end of the session, they did it in such a way that I had to sign it, because otherwise we would have been left with the 1948 law, which was even worse. But the problem is, it has no safety net that's adjustable to the conditions. And I think that's very important to change.

And while it is true that we have put a ton of money into emergency payments to farmers the last 2 years, it's basically given out under the distribution system of the existing law, which means some really big farmers get it even if they don't plant and don't need the money, and they get a windfall; and then some of the family farmers that are actually out there really killing themselves every year, in spite of all the money we're spending, are not adequately compensated.

So I think—you know, I think it's a mistake. And I think that it's because—I frankly believe that the majority in Congress is not as sensitive as they should be to the existence of family farmers and individual farmers, and

less concerned if we have more of a corporate structure. I think that's a mistake. I think, on the concentration issues, I think they all ought to be looked at. And if they're not legal, I think they ought to be moved against. But under our system, I have to be very careful as President, legally, not to comment on specific potential violations of the antitrust laws.

And the reason we had a decline in markets is because the American economy was booming and the Asian economy collapsed, and the Russian economy collapsed. I believe the markets will pick up now, as Asia's economy picks up and as Europe's picks up. But we're going to have this World Trade Organization meeting in Seattle, Washington, next month. And I think it's very important that we start a new trade round, and that agriculture be at the center of it, because we've always known if we got a fair shot to sell our products around the world, we could outcompete anybody.

And I think in the short run, we've got to fix the farm bill to deal with emergencies. In the longer run, we've got to have more markets. And that's what I'm going to be working on.

**Mr. Doan.** Thank you sir.

*[Mike Adams, president, National Association of Farm Broadcasters, noted many farmers would like to see markets in Cuba opened. He asked the President if he was in favor of lifting the embargo on Cuba and, if not, why.]*

**The President.** Well, I'm not in favor of a total lift of the embargo, because I think that we should continue to try to put pressure on the Castro regime to move more toward democracy and respect for human rights. And it's the only nondemocracy in our whole hemisphere.

And let me say, I have bent over backwards to try to reach out to them, and to try to provide more opportunities for person-

to-person contacts, to get better transfer of medicine into Cuba, and all kinds of other things. And every time we do something, Castro shoots planes down and kills people illegally, or puts people in jail because they say something he doesn't like. And I almost think he doesn't want us to lift the embargo, because it provides him an excuse for the failures, the economic failures of his administration.

Now, on the other hand, there is consideration being given in the Congress to broad legislation which would permit us to, in effect, not apply sanctions and embargoes to food or medicine. And under the right circumstances, I could support that. Now—and it had broad bipartisan support. My understanding is that it has been held up in the Congress because Senator Helms and others don't want us to sell any food to Cuba. But under the right circumstances, a general policy which permitted me to—which basically said it is the general policy of the United States not to include food and medicine in embargoes, but under emergencies they could be—I could support that kind of legislation. And I think that would provide a lot of relief to the farmers.

But it would have to be written in the proper way. And I have worked with both Republicans and Democrats on that. But it's my understanding that Cuba is the very issue that's preventing it from being passed in the Congress today.

**Mr. Adams.** Thank you, sir.

**The President.** Let me—if I could just follow up on the question. We supported lifting sanctions against Pakistan and India and reforming the sanctions law. And we have sold a great deal of corn to Iran, for example. And before the Ayatollah took over, in my State sometimes we sold as much as 25 percent of our rice crop over there. So it's a big issue with me, and I'll do what I can to help. We're for sanctions reform in the right kind of way, to basically exempt food and medicine from sanctions.

*[Price Allan of Kentucky Ag Net described how the President's proposed 55 cent tax on tobacco would affect rural communities in Kentucky and the Southeast and asked the President to discuss his plans to compensate tobacco growers.]*

**The President.** Well, first of all, the last increase, pursuant to the settlement that the tobacco companies made with the States, didn't have any protections for tobacco farmers at all. And I thought it was wrong. And that's because we couldn't get Congress to ratify and participate in the settlement.

Let me remind you, when I became President, I said I would keep the tobacco support program. I said—I did what I could to increase the domestic content, to protect American tobacco sales in the American market. And I always said that the tobacco farmers had to be taken care of in any tobacco settlement.

So we had, in our proposal—you said you had losses of \$300 million. We had, I think, \$5 billion in support to tobacco farmers and tobacco communities, to help to deal with the adverse impact of any increase in the price. And, you know, it sounds funny—since I've been so strong for increasing the price, because I want to reduce teen smoking, and I want funds to pay for health programs related to cigarette-related illnesses and to discourage young people from smoking—but I never would sanction a price increase of the kind that you have already experienced under the settlement between the States and the tobacco companies, without a huge increase in the investment in tobacco farmers and families and tobacco communities. I think that it's wrong to do that.

The tobacco farmers didn't do anything wrong. We ought to be paying for major transition assistance and other kinds of economic development and support to the tobacco farmers and to the communities in which they live. So under my plan, you'd get something like \$5 billion, which would be much more than the short-term economic damage, to create a whole different future and to actually compensate for the actual out-of-pocket losses.

**Mr. Allan.** Thank you, sir.

**Bill Ray.** Mr. President, Bill Ray here at Kill Devil Hills, North Carolina.

**The President.** Hi, Bill.

*[Mr. Ray of the Agrinet Farm Radio Network asked the President what suggestions he had to give American food producers better access to Japanese and European markets.]*

**The President.** Well, I think there are two things we have to do. I think the most important thing we can do is to get the Europeans and the Japanese to agree to include broad agricultural talks in a new trade round to be completed within 3 years. That is, we need a global opening of markets. And as the economy recovers in Asia and in Europe and elsewhere, we will see an increase in food consumption and an increase in the capacity to buy American food. So I think the most important thing is that we've got to have a real broad trade round.

Then the second thing I think is quite important is that we bargain very tough with the Europeans and the Japanese in our bilateral relations. You know, they're always wanting to sell things to the United States, and they're always wanting to close their markets to our food products.

**Mr. Ray.** Exactly.

**The President.** Now, we've had some real success in opening Japan to specific food products, particularly. But the biggest problem, frankly, is the trade barriers and, specifically, tariffs on farm products. Worldwide, the average tariff on farm products is 50 percent. In the United States, the average is less than 10 percent. So I think we just have to tell people, "Look, we've tried to give you access to our markets, but you've got to give us access to yours." We have to have better parity here. And if we can get it, then we can do fine.

Now, in a lot of places—you know, a lot of these other countries, their farmers are just as strong politically as our farmers are. And they're not as strong agriculturally. But there is a way for them to get the benefits of being able to sell their products in our markets, which the Japanese plainly do and the Europeans do. And they ought to give us a chance to sell into theirs.

And that's why I wanted to host this meeting at the World Trade Organization, and why we want to kick off this trade deal, because I think that the biggest advantage, not just for farmers but for all of America, out of new trade talks is the advantage we'd have in greater agricultural sales.

**Mr. Ray.** Thank you, Mr. President.

**Mr. Allan.** Mr. President, may I follow up with a question to that?

**The President.** Sure.

**Mr. Allan.** Looking to the WTO talks in Seattle, there are reports that Charlene Barshefsky is prepared to offer up the program crops, such as peanuts, sugar, and tobacco, and their support quotas, in return for foreign countries removing their tariffs and subsidies. Is that currently the game plan? And if so, what suggestions do you have for farmers that will be affected if that happens?

**The President.** To the best of my knowledge, there has been no pre-existing offer like that put on the table. If there was one, they'd have to discuss it with me first, and I—then I'd be glad to answer that question.

But I—to the best of my knowledge, there has been no decision to do that yet, because neither the Secretary of Agriculture nor I have been consulted on that. And I just don't believe some position of that magnitude would be taken without prior consultation with us. And it wouldn't hold water if we didn't agree.

**Mr. Allan.** Thank you, sir.

[*Mr. Doan asked if the issues of genetically modified organisms (GMO's) and overly hormone-treated beef were discussed when the President met with the President of the European Commission, Romano Prodi.*]

**The President.** Yes. Yes, and let me tell you where we are on that.

Let's talk about the GMO's first. We told—we have repeatedly told the Europeans, and the whole world, that the United States has prided itself on having not only the cheapest but the safest food supply in the world, and that we never want to sell anything to our people, much less to anybody else, that isn't safe; that we have confidence in the finding of our Food and Drug Administration that these foods are safe. And if we didn't believe that, we wouldn't be selling them. And we certainly wouldn't be eating them.

And one of the big problems is—and the Europeans recognize this, by the way—one of the big problems they have is that there is no equivalent organization to the American Food and Drug Administration, certainly in the European Union as a whole, and, frankly, in individual European countries. So what we tried to do is get them—not necessarily to

agree with us on everything, but not to panic, and to make a commitment that this ought to be a decision made based on the science and the evidence, not on politics and fear; that, you know, the United States is not about to sell other people, or feed its own people, food that we think is dangerous. We would never, ever do that.

And all these things have been reviewed by the appropriate authorities that we have reason to have confidence in. And they say that it cuts the cost of production and is perfectly safe. So what—our goal with the Europeans is to get them to commit unambiguously to making decisions with GMO's based on science.

Now, with the beef, it's a different issue. We have a decision there, by the governing body of the WTO. We won, and they lost. They were all panicked, as you might understand, over their so-called mad cow problem. And as a result, it became an occasion to discriminate against our beef. It's just wrong.

We've won two important agricultural cases, one involving beef, the other involving bananas, which are not produced in America but are owned by American companies. And the Europeans have to give us satisfaction. Once you play by the rules, you know—if we lose a case in the WTO to them, they expect us to honor the ruling. We have won not once, not twice, but three times, and they keep ignoring the rulings.

And so all I can tell you is I've already imposed some sanctions and will impose more until we get satisfaction. We won the beef case, and we're entitled to the results of our victory. And you know, if they take us in here and they beat us fair and square, we've got to let them win.

So we're in a real serious confrontation with the Europeans over the beef and banana issues. I think we'll prevail, and I think we'll prevail in fairly short order. Romano Prodi is a very able man, the new head of the European Union. He's a very serious person, and he has great potential for long-term leadership and partnership with the United States. And the other—he's got a whole crowd of immensely talented people in there. So I'm very hopeful we're finally going to get some good results.

But anyway—the GMO's, we've got to give the Europeans a chance to look at it. But it's got to be done on a science basis, because—you know, you know yourself that I would never permit an American child to eat anything that I thought was unsafe. If we had any reason, based on our own scientific reviews, to question this, we would question it. So all we want the Europeans to do is to have the same kind of scientific approach. If we get there, we'll work through this GMO thing, and it'll all come out just fine.

**Mr. Doan.** Thank you, sir.

[*Mr. Adams asked the President if American negotiators will be at a disadvantage in the upcoming World Trade Organization talks in Seattle, WA, without fast-track trading authority and if he'll make another push to obtain it before leaving office.*]

**The President.** The short answers are yes and yes, but we're not at too much of a disadvantage. That is, we can still negotiate, actually, because we have the WTO framework. We can still start a new trade round and bring it back to Congress. And it's 3 years down the road anyway.

So to the extent that we're at any disadvantage, it's more psychological than anything else, because other countries traditionally have been far more protectionist than America—because we have a stronger economy, and we just tend to be more competitive, and we understand the benefits we get from open markets. So when we refuse to adopt fast track, it makes it easier for other countries to refuse to reduce their tariffs on farm products and to otherwise be more protectionist. So it's like a psychological advantage.

But in the way the WTO system works, we'd launch this new trade round. It wouldn't have to be ratified for 3 years, or completed for 3 years. So the fact that we don't have the fast-track authority right now is not a big problem there. It's a bigger problem in our efforts to develop a Free Trade Area of the Americas and get our own neighbors to keep buying more and more of our products. And our trade has grown more with Latin America than with any other part of the world in the short run.

So that's the real answer to that. We could still get a very good WTO deal without fast

track, because we can't ratify for 3 years anyway.

[Mr. Allan asked the President how he would like farmers to remember his Presidency.]

**The President.** Well, I want them to remember first of all that I turned the American economy around, and that until the collapse of the Asian economy, we had very, very good agricultural years, in the beginning of my administration. We had record exports, record farm income.

I want them to remember that I had a special emphasis on rural development. I'm down in south Arkansas today at a tomato cooperative to try to emphasize the importance of having very, very strong co-ops of individual farmers, so that little guys can have a better chance to make a living; and that I've worked to try to find nonfarm sources of income to support farmers in small communities.

I want them to remember that we did a really good job on increasing food safety and that that was good for marketing, because safe food sells, and that the food is safer now than it was when I took office.

And I want them to remember that—I don't know yet if I'm going to succeed, but that I opposed the so-called freedom to farm concept without an adequate safety net for family farmers. I am—I think it does matter whether family farmers can make a living on the land. I don't think that America would be the same kind of country, and that rural America would have the same kind of character, if all the farmers of any size were corporate farms and individual family farms couldn't make it.

So I hope I'll be remembered for the prosperity of the years before the Asian financial collapse, which I hope will return before I leave office; for a real emphasis on rural development; for an emphasis on food safety; and for a genuine concern for the family farmer.

**Secretary of Agriculture Daniel Glickman.** Thank you, Mr. President.

**The President.** Thank you.

NOTE: The President spoke at 1:07 p.m. by telephone from the Hermitage Tomato Cooperative. In his remarks, he referred to President Fidel Castro of Cuba. The transcript released by the Office

of the Press Secretary also included the remarks of Messrs. Doan, Adams, Allan, and Ray. This item was not received in time for publication in the appropriate issue.

## Remarks to the Englewood Community in Chicago, Illinois

November 5, 1999

Thank you very, very much. And thank you, ladies and gentlemen, for coming and for being so full of enthusiasm and making me feel so welcome. Mr. Speaker, thank you for coming. We are honored by your presence and your alliance.

I want to also thank my good friend Congressman Bobby Rush. We've been friends a long time, and he has worked in these last weeks through his own personal sadness still on your business and to bring us all here today. And I thank him for that.

I thank this great array of Members of the House of Representatives who are here, Congressman Danny Davis—we're the Arkansas contingent on the platform, Danny and I are—[laughter]—Congressman Jesse Jackson, Jr., and Congressman Paul Kanjorski who has made this whole tour with us twice, coming all the way from Pennsylvania—a good man.

I thank the Secretary of State, the Attorney General, and the State treasurer of the State of Illinois, all of them, for being here. I thank Secretary Slater and Small Business Administrator Alvarez for their strong support for our new markets initiative and their involvement. I want to thank Samuel Williams, your principal here, for welcoming us. [Applause]

You know, this is the second biggest hand he's gotten here. [Laughter] Bobby, I hope you have made sure he's not interested in running for Congress. [Laughter] This is amazing. When he got his first big hand, the Speaker leaned over to me and said, "You know, when a school principal gets that kind of hand, something must be going right there." [Laughter]

I want to thank Paul Vallas, the CEO of the Chicago public schools, for being here and for the great job that Chicago is making in turning around its schools. This school, I was just told by the principal—when I walked in, the first thing he said was, "Thank you